



PSC NEWS

Missouri Public Service Commission

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PSC ORDERS EARLY REDUCTION IN NATURAL GAS RATES FOR ATMOS ENERGY—SEMO DISTRICT CUSTOMERS

JEFFERSON CITY—To reflect estimated changes in the wholesale cost of natural gas, SEMO District customers of Atmos Energy Corporation will see natural gas costs drop by approximately 14% under a filing which will take effect on January 20, 2006. Atmos' filing originally contemplated a February 1, 2006 effective date.

"Customers have seen higher natural gas bills this winter, the result of high wholesale natural gas prices. These prices have placed a significant strain on customer budgets," said PSC Chairman Jeff Davis. "Every dollar counts. The Commission has taken quick action to approve this request so that customers of Atmos can get rate relief as soon as possible," Davis said.

A residential customer currently pays approximately \$1.27 per Ccf (per 100 cubic feet of gas). Under this filing, the rate will drop to approximately \$1.11 per Ccf, a decrease of approximately \$0.16 per Ccf.

Approximately 70% to 80% of a customer's natural gas bill reflects the cost of natural gas from wholesale suppliers. The wholesale cost of natural gas (the cost your local natural gas company must pay to its suppliers for natural gas) is not regulated by the Missouri Public Service Commission. The wellhead cost of natural gas is unregulated and is primarily driven by supply, demand and the weather. The Missouri Public Service Commission does conduct an annual regulatory review to ensure that regulated natural gas companies make prudent decisions in securing natural gas supplies for their customers.

Atmos Energy Corporation serves approximately 34,500 natural gas customers in its SEMO District which includes the Missouri counties of New Madrid, Pemiscot, Ripley, Cape Girardeau, Dunklin, Scott, Iron, Wayne, Stoddard and Mississippi.